JURNAL HUKUM
NOVELTY
Volume 16, Issue 2, 2025, pp. 324-345

P-ISSN: 1412-6834
E-ISSN: 2550-0090

Navigating the regulatory landscape: Combating corruption, cryptocurrency crime, and illicit finance through global coordination

Ika Riswanti Putranti[1]*, Reni Windiani[1], Qin Guan Wen[2], Muhammad Arief Zuliyan[1]

[1] *Faculty of Social and Political Sciences, Universitas Diponegoro, Indonesia*
[2] *Law School, Guangxi University for Nationalities, Guangxi, China*

*Corresponding Author: *ikariswantiputranti@lecturer.undip.ac.id*

Abstract

Introduction to the Problem: This article examines the U.S. strategy for countering corruption and the increasing challenges of money laundering involving cryptocurrencies in a globalized financial ecosystem. As digital assets gain legitimacy, they have simultaneously become tools for illicit finance, prompting the need for coordinated global regulatory efforts. The United States, home to the world's largest crypto exchanges and a leading jurisdiction for asset seizures, has developed a comprehensive Five-Pillar Strategy emphasizing global coordination and institutional strengthening.
Purpose/Objective Study: This study analyzes how U.S. policy frameworks, including those under the Commodity Futures Trading Commission (CFTC), Financial Crimes Enforcement Network (FinCEN), and Dodd-Frank Act, respond to transnational threats of corruption, crypto-related crime, and illicit finance. It assesses how these measures promote transparency and shape international cooperation mechanisms.
Design/Methodology/Approach: Using a mixed-method legal approach grounded in methodological pluralism, this research integrates normative legal analysis, legal sociology, and neoliberal institutionalism to evaluate the adaptive capacity of global coordination in addressing crypto-related financial crimes.
Findings: The study finds that effective responses to crypto-based corruption require not only domestic policy coherence but also institutionalized multilateral coordination anchored in international regimes such as the Financial Action Task Force (FATF), the UN Convention against Corruption (UNCAC), and the OECD's Crypto-Asset Reporting Framework. The U.S. Five-Pillar Strategy strengthens transparency through beneficial ownership reporting, enhances the detection of illicit transactions via FinCEN and CFTC oversight, and reinforces cross-border collaboration through FATF and UNCAC partnerships. These frameworks collectively represent a pragmatic application of neoliberal institutionalism (where institutions mitigate the risks of an anarchic financial order) and sociological jurisprudence, which treats law as a dynamic tool of social engineering. However, gaps persist in

P-ISSN: 1412-6834
E-ISSN: 2550-0090

JURNAL HUKUM NOVELTY
Volume 16, Issue 2, 2025, pp. 324-345

enforcement harmonization and data-sharing, underscoring the continued need for adaptive and inclusive global coordination mechanisms.

Paper Type: Research Article
Keywords: Corruption; Cryptocurrency Crime; Illicit Finance; US Policy; Global Coordination

Introduction

Cryptocurrency crime and illegal funding are significant issues in today's interconnected world. Experts have indicated the need for global cooperation in regulating crypto assets, with a particular focus on risk-based approaches, data openness, decentralized financing protocols, and cross-border collaboration. Recent studies have investigated how cryptocurrencies have transformed traditional money laundering techniques using cryptocurrencies (Leuprecht, Jenkins, & Hamilton, 2023) and emphasize the importance of international cooperation in combating cross-border economic crimes (Kreminskyi et al., 2021). The concept of embedded supervision has been proposed as a solution to DeFi's regulatory challenges, emphasizing the integration of compliance mechanisms directly into blockchain infrastructures (Lorenz, 2024). The World Economic Forum has stressed the importance of developing balanced cryptocurrency regulations that safeguard consumers and encourage innovation (Global Future Council on Cryptocurrencies, 2021). This paper presents guiding concepts that create inclusive and flexible regulatory frameworks to address cryptocurrencies' decentralized nature and to prevent regulatory arbitrage.

In the concept of Neoliberal Institutionalism, developed by Robert Keohane and Joseph Nye as a response to realism in international relations, which argues that international institutions can facilitate cooperation between countries even though the international system is anarchic. In this regard, recognizing the existence of an anarchic state society and the importance of achieving collective goals is one of the main postulates of neoliberal institutionalism. The existence of modernization developments and the increasing capacity to share technological advances have created a network of mutual benefits. This relationship cannot be ended by actors unilaterally, it's simply because state actors will see how interests at the national level are also affected by global collective efforts (Colebourne, 2012; Kutting, 2004; Chruściel, 2014). In other words, Neoliberal institutionalists believe that governments do what's best for them, but they are considerably more hopeful about working together. Keohane (1984) knew that working together wasn't always simple and might cause problems, but he thought that states could gain from working

Article History
Submitted 21 October 2024 - Revision Required 13 December 2024 - Accepted 9 October 2025

JURNAL HUKUM
NOVELTY
Volume 16, Issue 2, 2025, pp. 324-345
P-ISSN: 1412-6834
E-ISSN: 2550-0090

together (Whyte, 2012; Trofimov, 2012; Stein, 2008b; Hexner, 1950; Toye, 2012; Drache, 2000).

An American legal expert, Roscoe Pound, viewed the law as a social engineering tool. In international law, the sociological approach to law means that international law must be understood based on its social function and empirical reality, not just as a system of formal norms. According to Pound, Law is an instrument of social control backed by the state's authority. The ends toward which it is directed—and the methods by which these ends are pursued can be enlarged and improved through consciously deliberate effort. The sanction of law lies in the social ends it is designed to serve. A sociological jurist does not adhere to specific legal precepts but instead supports those most effectively serving societal needs. Regarding philosophy, the sociological jurist is generally a pragmatist, concerned with the nature of law only to the extent that it functions as a tool to serve society (Gardner, 1961).

Tiwari et al. investigate the role that cryptocurrencies play in geopolitical conflicts, in particular their misuse in illicit activities such as money laundering and evasion of sanctions. The study highlights cases such as Russia's use of decentralized exchanges, underscoring the urgent need for robust regulatory frameworks. It identifies technological vulnerabilities and evolving tactics of financial crime as critical challenges in cryptocurrency (Tiwari et al., 2024). Hwang discusses cryptocurrencies' dual potential in geopolitical contexts, existing as tools of economic empowerment and instruments of hybrid warfare. This stresses the need for international collaboration and regulatory oversight for mitigating risks while also leveraging economic benefits (Hwang, 2023).

While Finnemore and Sikkink, in their paper "International norm dynamics and political change," link the global evolution of corruption, cryptocurrency crimes, and illicit finance. In the current global financial system, corruption is deeply intertwined with technological advancements and highlights the necessity of transnational cooperation and robust regulations. The dynamics of norms provide a lens for analyzing how norms related to combating illicit financial practices have emerged, cascaded, and internalized across nations. Some studies propose the international governance to deal with the international complications (Finnemore and Sikkink, 2017).

Corruption and cross-border money laundering using cryptocurrency form a complex problem facing countries across the world over the last decade, in particular countries that have high financial technology literacy, such as the US. Tracking transactions and returning assets faces challenges, including those of jurisdiction, international cooperation, global coordination, and mitigation of geopolitical risks (GPRs). International cooperation is necessary to successfully retrieve assets that are hidden overseas, and practitioners could profit from such efforts at every stage of a case (United Nations Office on Drugs and Crime [UNODC] & World Bank, 2007).

JURNAL HUKUM NOVELTY
P-ISSN: 1412-6834
E-ISSN: 2550-0090
Volume 16, Issue 2, 2025, pp. 324-345

Drawing, global governance trends, this study seeks to understand how these challenges manifest themselves in the specific regulatory and political environment of the United States. As a global financial center, U.S. cryptocurrency policy, including implementing the Five Pillar Strategy to combat corruption and money laundering, has broad implications for the global crypto ecosystem. Regulatory developments and regulations in the United States often set precedents that shape international norms, influence crypto market behavior, and impact cross-border compliance obligations. Given its leading role in digital financial technology innovation and oversight, the U.S. is the epicenter of crypto-economic activity (Huo, 2022).

This article examines the strategic pillars that have been outlined by the US government in the fight against corruption and illicit finance, highlighting the important role global coordination plays in ensuring the effectiveness of these efforts. As this landscape continues to evolve, the US remains committed to protecting the integrity of its financial system, promoting global transparency. Therefore, it has raised four research questions to address in this article. First, what constitutes the multilateral legal approach undertaken by the United States in combating cross-border financial crimes involving cryptocurrencies, particularly in the context of money laundering and corruption? Second, to what extent do U.S. policy measures, specifically implementing the Five Strategic Pillars on countering corruption, contribute to global coordination efforts to regulate and mitigate cryptocurrency-facilitated illicit finance? Furthermore, how do the theoretical frameworks of neoliberal institutionalism and sociological jurisprudence elucidate the necessity and function of global coordination in constructing a coherent and enforceable transnational legal regime for regulating crypto-assets?

Methodology

This study takes a mixed legal-research approach, grounded in methodological pluralism. In particular, two approaches are used in this study: the normative legal approach and legal sociology. The normative legal approach that is used for analysis takes the statutory approach and the comparative law approach. A statutory approach involves scrutinizing all relevant laws and regulations that pertain to the legal issues that are under consideration. The sociological approach of law complements the doctrinal analysis by exploring how legal rules are applied in practice, particularly regarding institutional behavior in enforcing anti-money laundering measures. An international relations approach using neoliberal institutionalism, exploring the social context and impact of legal issues, and finding out how multilateralism drives the landscape of global coordination. Data sources include statutory texts, jurisprudence, international treaties, official reports, and expert commentaries. Analytical techniques involve qualitative legal interpretation and comparative legal analysis.

Article History
Submitted 21 October 2024 - Revision Required 13 December 2024 - Accepted 9 October 2025

JURNAL HUKUM
NOVELTY
Volume 16, Issue 2, 2025, pp. 324-345
P-ISSN: 1412-6834
E-ISSN: 2550-0090

Results and Discussion

The Office of Terrorism and Financial Intelligence

The Office of Terrorism and Financial Intelligence (TFI) is an executive agency falling under the US Department of the Treasury that is responsible for promoting economic prosperity and financial security. It advises the president on economic and financial matters, fosters sustainable growth, and improves governance in financial institutions. In particular it regulates policy, law enforcement, and regulations; likewise, it executes intelligence functions to disrupt financial support to international terrorists, WMD proliferation, narcotics traffickers, money launderers, and other threats to national security. Within TFI, the Office of Intelligence and Analysis (OIA) handles policy matters and apparatus, while TFFC addresses policy matters and apparatus. OIA works in global financial intelligence, supporting Treasury's mission and providing support to the Department of the Treasury and IC leadership. In addition, TFI oversees several offices and bureaus, including the Office of Foreign Assets Control, Treasury Executive Office for Asset Forfeiture, and the Financial Crimes Enforcement Network (FinCEN) (U.S. Department of the Treasury, 2022).

Disputes between the Securities and Exchange Commission (SEC) and the crypto industry significantly intensified over the course of the Biden administration. Among the many other controversial statements, SEC Chair Gary Gensler warned in April 2022 that regulatory gaps in the crypto market could undermine 90 years of securities laws. He equated the crypto industry with the Wild West and cautioned that stablecoins could enable parties who sought to evade Anti-Money Laundering (AML) policies (Lemire, 2022).

Hitherto, the SEC has primarily focused on cryptocurrencies as a security and investigated whether it is necessary to enforce compliance with the US Securities Exchange Act and other relevant laws. The SEC has concentrated its rule enforcement on the cryptocurrency industry, in particular with respect to allegations of unregistered securities sales. The SEC announced that, due to its operation of a trading platform for digital asset securities, Poloniex LLC to pay over $10 million to settle charges of operating an unregistered online digital asset exchange. In February 2022, BlockFi Lending LLC (BlockFi) agreed to settle with the SEC for $100 million for failing to register its retail crypto loan offerings (Lemire, 2022).

The Securities and Exchange Commission

The SEC's primary function is to oversee organizations and individuals operating in securities market, including stock exchanges, brokerage firms, dealers, investment advisers, and investment funds. Using established securities rules and regulations, the SEC promotes market disclosures and information sharing, fair transactions, and protection against fraud. This provides investors with access to registration statements, periodic financial reports, and other information in electronic data

P-ISSN: 1412-6834
E-ISSN: 2550-0090

JURNAL HUKUM NOVELTY
Volume 16, Issue 2, 2025, pp. 324-345

collection, analysis, and retrieval databases (Chen, 2022b; U.S. Securities and Exchange Commission, 2022).

The SEC is headed by five commissioners who are appointed by the president, with one designated as chairman. Each commissioner's term lasts for five years, but they are allowed to serve for up to 18 additional months until their successor is found. The SEC has five divisions and 23 offices. Its functions include the interpretation and enforcement of securities laws, issuing new rules, providing oversight of securities entities, and coordinating regulations among various levels of government (Chen, 2022b; U.S. Securities and Exchange Commission, 2022).

The SEC is only mandated to regulate stocks and stock exchanges, so SEC regulation of DEX activities is not yet regulated. However, noting the potential risks that DEX activities could pose, Robert Cohen, Chief of the SEC's cyber unit, indicated that, if exchange platforms do not have a central headquarters or regulatory body, they are still unable to avoid responsibility in case of risk. Cohen stated that SEC's focus is not on the label or the technology that is used for something, but rather on the function of the platform and what it does. Regardless of whether it is decentralized and whether it is in smart contracts, the most important thing is the exchange activities within it (Goncharenko, 2018).

How can responsibility be manifested by DEX if there is no central authority? The SEC holds that there must be someone who is responsible and accountable for all consequences. One of those who is responsible is the creator of the code. According to Robert Cohen, although platform developers are absent and do not directly oversee exchange activities, their users are connected by the code that they create. Following this logic, code creators continue to be responsible just as if they were the managers of an organization, and their responsibility should be recognized. On these grounds, SEC has taken specific steps to investigate DEX, claiming that they put customers, their assets, and their privacy at risk (Goncharenko, 2018).

The Financial Crimes Enforcement Network (FinCEN)

Established in 1990, the Financial Crimes Enforcement Network (FinCEN) collects and analyzes financial transactions to find and pursue domestic and international money laundering, terrorist financing, and other financial crimes. FinCEN supports law enforcement through analyzing necessary information operating under the Bank Secrecy Act, tracing suspicious transactions, and tracking criminal activity. It finds clues and exposes hidden unknown information in complex of money laundering transactions (Lemire, 2022; Chen, 2022a; Financial Crimes Enforcement Network, 2022e; 2021; 2022c; 2022a; 2022d).

As a federal regulator, FinCEN plays a crucial role in updating and enforcing such regulations as they apply to cryptocurrency businesses. There are issues in the regulation of the cryptocurrency industry in relation to overlapping jurisdictions from government regulators in addition to different interpretations of AML compliance that

Article History
Submitted 21 October 2024 - Revision Required 13 December 2024 - Accepted 9 October 2025

Jurnal Hukum
Novelty
Volume 16, Issue 2, 2025, pp. 324-345
P-ISSN: 1412-6834
E-ISSN: 2550-0090

have led to confusion and have incurred criticism from the cryptocurrency industry (Lemire, 2022; Chen, 2022a; Financial Crimes Enforcement Network, 2022e; 2021; 2022c; 2022a; 2022d).

FinCEN showed that AML compliance obligations include that of decentralized finance, commonly known as DeFi, a blockchain-based financial form that does not rely on any centralized financial intermediaries, such as brokers, exchanges, or banks. According to FinCEN, DeFi exchanges that use peer-to-peer technologies must comply with BSA obligations that are applicable to money transmitters, including registering with FinCEN as an MSB and complying with AML requirements, including the filing of Suspicious Activity Reports (Lemire, 2022; Chen, 2022a; Financial Crimes Enforcement Network, 2022e; 2021; 2022c; 2022a; 2022d).

According to the guidelines established by FinCEN, virtual currencies, including cryptocurrencies must comply with anti-money laundering regimes in the same way as these apply to fiat currencies. Such guidelines do not introduce new regulations but explain how existing regulations are to be used for cryptocurrencies. These guidelines cover several common cryptocurrency business models, including peer-to-peer traders, DApps, DEXs, and specific wallet types. With respect to the use case, all of these have the potential to act as money transmitters and therefore entail special obligations under the BSA (Smith, 2019; Financial Crimes Enforcement Network, 2019).

Furthermore, whether a DApps qualifies as a money transmitter depends on whether the it transmits value or not. When DApps transmit money, the definition of the money transmitter applies to the DApps, the DApps owner/operator, or both. For blockchain developers, this is reassuring, as the DApps operator needs to register as a money transmitter, as developers do not engage in these activities, unless they use Dapp to transmit money (Smith, 2019; Financial Crimes Enforcement Network, 2019).

Dapp developers are not money transmitters but only take action to create applications where the purpose of the Dapp is to issue convertible virtual currency (CVC) or facilitate financial activities in a CVC. However, if DApps developers use or distribute the Dapp to engage in money transmission, then they qualify as money transmitters under the BSA. The status of cryptocurrency wallets depends on the custody position. Hosted wallets, in which users surrender private keys in third-party exchanges to protect their coins, could be considered money transmitters. However, non-hosted wallets, in which the private keys are stored by the owner, are not subject to money transmitter regulations (Smith, 2019; Financial Crimes Enforcement Network, 2019).

The European Union, Singapore, Australia, and Indonesia each maintain robust Financial Intelligence Units (FIUs) to combat money laundering and terrorism financing. The EU's decentralized FIUs coordinate through the EU FIU Platform and upcoming AML Authority (AMLA), grounded in Directives 4AMLD–6AMLD. In EU law,

JURNAL HUKUM NOVELTY
P-ISSN: 1412-6834
E-ISSN: 2550-0090
Volume 16, Issue 2, 2025, pp. 324-345

FIUs are addressed in Article 32 of the 4AMLD, which stipulates that each member state shall establish an FIU in order to prevent, detect, and effectively combat money laundering and terrorist financing, and each FIU shall be operationally independent and autonomous (Brewczyńska, 2021; Pavlidis, 2024; Mouzakiti, 2020). The legal framework supporting STRO's functions includes the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act, the Terrorism (Suppression of Financing) Act, and the Monetary Authority of Singapore (MAS) AML/CFT Notices. STRO collaborates with the MAS in ensuring that reporting entities conduct adequate customer due diligence, maintain beneficial ownership records, and implement robust risk management systems (Poon, 2021; Menon, 2023; Prakoso et al., 2024; Tan and Lim, 2024). Australian Transaction Reports and Analysis Centre (AUSTRAC) serves as both FIU and regulator, leveraging real-time analytics and strong interagency ties (Saputra, 2021; Morgan, 2024; Smith and Walker, 2010; Commonwealth of Australia, 2024). The Indonesian Financial Transaction Reports and Analysis Center, or Pusat Pelaporan dan Analisis Transaksi Keuangan (PPATK), stands as a cornerstone of Indonesia's institutional architecture for addressing money laundering and the financing of terrorism. Functioning as the country's Financial Intelligence Unit (FIU), PPATK exercises a broad mandate that spans the receipt, examination, and dissemination of financial intelligence to competent national authorities and international counterparts. Its establishment not only reflects Indonesia's determination to strengthen financial integrity but also signals its adherence to global norms and best practices in the anti-money laundering and counter-terrorist financing (AML/CTF) regime. In this respect, PPATK operates in line with the FATF standards and, alongside other FIUs worldwide, contributes to the wider framework of international cooperation in combating financial crimes (Rahayuningsih, 2013; PPATK, 2022).

Beneficial Ownership and Corporate Transparency Act

In the US at present, there are over 25 million business entities, and 3–4 million new ones appear annually, all of which are required to comply with the new Corporate Transparency Act (CTA) (Bryan Cave Leighton Paisner LLP, 2021). The first wave of CTA implementation could be finalized by the end of 2022. CTA calls on reporting companies to submit the identification of information on individuals who own or control companies and individuals who make the decision to register their companies with the appropriate authorities. CTA represents federal-level changes in anti-money laundering efforts. CTA's goal is to prevent criminal actors from concealing their identities and illegal activities behind shell companies and infiltrating the US financial system. CTA requires both domestic and foreign entities, including corporations, partnerships, and trusts, to report data concerning their identities and beneficial owners to the Financial Crimes Enforcement Network (FinCEN) under the Department of the Treasury, which is responsible for enforcing AML regulations (Financial Crimes Enforcement Network, 2022c; 2022a).

Article History
Submitted 21 October 2024 - Revision Required 13 December 2024 - Accepted 9 October 2025

JURNAL HUKUM
NOVELTY
Volume 16, Issue 2, 2025, pp. 324-345
P-ISSN: 1412-6834
E-ISSN: 2550-0090

The CTA officially became law on January 1, 2021. FinCEN issued the first notice indicating the rulemaking, including proposed interpretations of CTA, on December 8, 2021. The public was invited to provide input until it closed on February 7, 2022. After receiving this input, FinCEN proposed final regulations within 30 days. Once the regulations came in effect, entities had one year to make their initial reports to FinCEN, and entities established on or after the effective date of the regulations would have 14 days from their establishment to report to FinCEN. Reporting companies have a 30-day deadline to report whenever there are changes in ownership or control of the organization and whenever beneficiary owners change their names or residential addresses. In particular, for corporations, partnerships, and trusts, respondents must begin assessing whether they qualify as reporting companies and, if so, who the beneficial owners are that must be reported, as this will have long-term implications on the corporate structure (Financial Crimes Enforcement Network, 2022a).

According to FinCEN, the lack of beneficial ownership information in the US that requires reporting and a database makes the US a preferred jurisdiction for creating shell companies that hide beneficial owners. CTA requires FinCEN to establish a secure central repository for beneficial ownership data, to be accessed by law enforcement and intelligence agencies that have a court order. FinCEN's database is expected to expedite investigations that previously relied upon jury discovery and court summons, which sometimes took years (Financial Crimes Enforcement Network, 2022a).

The CTA mandates reporting companies to provide information on themselves, their beneficial owners, and the applicants who register. CTA applies to both domestic and foreign entities. Domestic reporting companies are defined as "corporations, limited liability companies, or similar entities," and it is emphasized that they are "formed to submit documents to the secretary of state or similar office." In defining similar entities, FinCEN's proposed reporting rule requires all entities that are formed by filing with the secretary of state's office to comply. Limited liability partnerships, most limited partnerships, and business trusts (legal trusts), in addition to corporations and limited liability companies, may be required to report, depending on the state formation requirements (Bryan Cave Leighton Paisner LLP, 2021).

US Anti-Money Laundering (AML) Regime

The US has defined the terminology of money laundering in the federal law book known as the USC, which began with the establishment of the BSA in 1970. The BSA has been a crucial tool in combating money laundering. Several regulations have been enacted to enhance or amend the BSA to create effective tools to combat money laundering. In addition to the BSA are the Money Laundering Control Act (1986), the Anti-Drug Abuse Act of 1988, the Money Laundering Suppression Act (1994), the Money Laundering and Financial Crimes Strategy Act (1998), the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), and the Intelligence Reform &

P-ISSN: 1412-6834
E-ISSN: 2550-0090

JURNAL HUKUM NOVELTY
Volume 16, Issue 2, 2025, pp. 324-345

Terrorism Prevention Act of 2004 (Financial Crimes Enforcement Network, 2022b).

Anti-money laundering (AML) can be used to uncover criminal organizations, corrupt actions, and terrorist planning. It can also be used in asset recovery or to seize the proceeds of criminal activities and counterterrorism financing. Another influential regulation is the BSA, which requires banks and financial institutions in the US to comply with the BSA. One element of compliance with the BSA is implementing client due diligence (CDD) to identify all users and to verify the source of their funds that enter the bank (Office of the Comptroller of the Currency, 2019; Office of the Comptroller of the Currency, 2022). In addition, banks must take action to report and record users' suspicious transactions. In addition to the BSA, the USA PATRIOT Act also targets terrorist financing through expanding the scope of the BSA. This scope is expanded with the addition of tracking and investigative powers and the introduction of CDD. The USA PATRIOT Act punishes individuals or companies who are involved in terrorist financing. It also regulates cross-border transactions (VinciWorks, 2022).

Commodity Futures Trading Commission (CFTC)

The CFTC has exclusive jurisdiction over futures commodities, options, and all other derivatives that are included in the swap definition. Further, it has been granted general anti-fraud and anti-manipulation authority for any swap or commodity sales contract taking place in interstate commerce or in any futures delivery that is subject to registered entity rules. The CFTC is tasked with protecting the American public from fraudulent schemes and abusive practices in markets and products that are under its jurisdiction. The CFTC shares swap jurisdiction in certain aspects with the 'SEC' under USC. 2(a)(1)(C) (A) (Brooks, 2020)

The CFTC faces new challenges in virtual currency markets, where derivative contracts bind prices to cash market platforms. Such platforms are relatively new and unregulated, and they pose risks to the market, with limited enforcement authority (CFTC, 2020). The CFTC first determined that Bitcoin and other virtual currencies were properly defined as commodities in an enforcement action under the Commodity Exchange Act (CEA) in 2015 (Lucking and Aravind, 2020). The CFTC's 2020–2024 Strategic Plan seeks to foster innovation, enhance regulatory experience, and address risks and opportunities in 21st-century commodities.

The CFTC applies a broad definition of commodities, as set forth in the CEA, finding that the scope of that definition includes Bitcoin: "*The definition of 'commodity' is broad [...] Bitcoin and other virtual currencies are encompassed within that definition and are correctly defined as commodities*." In October 2019, CFTC Chairman Heath Tarbert stated his view that Ether, the second-largest cryptocurrency by market capitalization, is a commodity, and therefore, it falls under the CFTC's jurisdiction, along with Bitcoin (Lucking and Aravind, 2020)

Article History
Submitted 21 October 2024 - Revision Required 13 December 2024 - Accepted 9 October 2025

JURNAL HUKUM
NOVELTY
Volume 16, Issue 2, 2025, pp. 324-345
P-ISSN: 1412-6834
E-ISSN: 2550-0090

The CFTC considers that virtual currencies are commodities as defined under Section 1a(9) of the Act, in the same way as many other non-physical commodities that have previously been recognized by the CFTC (e.g., renewable energy credits and emission allowances, specific indices, and certain debt instruments, among others). Indeed, the structure of virtual currencies is sometimes compared to those of other old commodity classes. In addition, several federal courts have stated that virtual currencies are to be included in the CEA's commodity definition. As commodities, virtual currencies are subject to the provisions of the CEA and the applicable Commission regulations, including CEA section 2(c)(2)(D) (Brooks, 2020).

The Digital Commodities Consumer Protection Act of 2022 (DCCPA) grants the CFTC exclusive jurisdiction to regulate trading of digital commodities, except in situations where such commodities are used in the purchase or sale of goods or services. The DCCPA defines digital commodities as forms of digital personal property that can be directly exchanged and transferred between owners, without any need for intermediaries. It includes Bitcoin and Ether in particular and implicitly encompasses all cryptocurrencies or virtual currencies but excludes physical commodities, securities, and government-backed digital currencies issued by the US. The DCCPA's definition of digital commodities appears to encompass Decentralized Autonomous Organizations but excludes non-fungible tokens. The DCCPA also excludes stable coins backed by full faith and credit of the US from its definition of digital commodities (Diamond and Cob, 2022).

The DCCPA requires digital commodities platforms to register under the CEA. These platforms include brokers, custodians, dealers, and trading facilities. They must adhere to core principles and be members of a registered futures association, such as the National Futures Association. The DCCPA acknowledges that digital commodities platforms may be subject to SEC regulation, requiring case-by-case resolution of whether a cryptocurrency is a commodity or a security (Diamond and Cob, 2022).

Five Strategic Pillars: United States Strategy on Countering Corruption

The US government has set combating corruption as a goal of its foreign policy due to the strategic impact that corruption and the increasing interconnectedness and interdependence of the global economy have on security. This underscores the need for a new approach to anti-corruption policy. The US government is effectively combating contemporary corruption, and the dimension of transnationalism poses a challenge that needs to be addressed systematically and must be tailored to national interests. The U.S. anti-corruption strategy includes five pillars. The pillar one focuses on modernizing and coordinating resources by enhancing research, data sharing, and integrating anti-corruption into broader policies. The pillar two addresses illicit financing by strengthening anti-money laundering regimes and global cooperation. Pillar Three aims to hold corrupt actors accountable through improved enforcement, legal tools, and support for civil society and media. Pillar Four reinforces multilateral anti-corruption frameworks and U.S. leadership in international forums. Pillar Five

P-ISSN: 1412-6834
E-ISSN: 2550-0090

JURNAL HUKUM NOVELTY
Volume 16, Issue 2, 2025, pp. 324-345

enhances diplomatic engagement by prioritizing anti-corruption in foreign aid, protecting reform advocates, using technology, and integrating corruption risk into security and development planning (The White House, 2021).

Significant resource enhancements will support FinCEN's authority and allow it to build a new beneficial ownership data system for use by law enforcement with FATF. The government and Congress will collaborate to provide adequate resources for FinCEN and departments and agencies that identify, investigate, and take enforcement actions against fraud, money laundering, terrorist financing, and financing proliferation. One action that can strengthen the anti-money laundering regime is to enhance the beneficial ownership information system so that it can effectively identify who controls certain anonymous shell companies and to improve transparency in transactions. Enhancing effective beneficial ownership regulations and building databases of beneficial owners of specific companies can support domestic and international partners to identify wrongdoers (The White House, 2021).

In current development, digital assets are used to support various illicit activities, including the financing of proliferation, ransomware attacks, human and narcotics trafficking, fraud, corruption, and the evasion of sanctions (FATF, 2019a). The Department of Justice has established a task force, the National Cryptocurrency Enforcement Team, to specifically focus on investigating complex cases of the use of cryptocurrency in corrupt activities and prosecuting abuses of cryptocurrency, in particular crimes committed by virtual currency exchanges, mixing and tumbling services, and money laundering infrastructure operators (The White House, 2021).

Evaluating the implementation of the Five Strategic Pillars post-2021 is challenged by a lack of consistent data on enforcement outcomes, such as prosecutions, sanctions, and the alignment of foreign assistance. Additionally, information remains fragmented across various federal agencies, complicating comprehensive analysis. Nevertheless, the United States' Corruption Perceptions Index (CPI) score experienced a modest rebound in 2022 after years of stagnation and decline, prompting interest in whether this change correlates with new federal anti-corruption initiatives (Transparency International, 2021).

Global Coordination in Combating Crypto-Based Money Laundering from Corruption

Neoliberal institutionalism argues that international institutions play a crucial role in fostering cooperation between states. According to neoliberal institutionalism, international institutions can provide reliable information, reduce transaction costs, and increase transparency, helping to mitigate the anarchic "state of nature" that realism assumes dominates international politics. Thus, international institutions are seen as mere instruments facilitating cooperation between states. Neoliberal institutionalism builds its theoretical foundation around "institutional choice," which states that rational actors design and participate in international institutions that help

Article History
Submitted 21 October 2024 - Revision Required 13 December 2024 - Accepted 9 October 2025

P-ISSN: 1412-6834
E-ISSN: 2550-0090

them achieve mutually beneficial outcomes and goals. Neoliberal institutionalism encourages states to pursue absolute advantage, arguing that this perspective is more conducive to sustainable international cooperation. When states face cross-border problems, such as financial instability, that they cannot resolve unilaterally, they must establish international regimes. These international regimes allow joint negotiation and coordination, mobilizing workforce, financial resources, and legal frameworks to address shared challenges. This is where the concept of international institutions becomes central: they serve as platforms for systematic problem-solving and cooperation. In his book "After Hegemony," Keohane argues that the decline of hegemony does not necessarily lead to institutional collapse. Instead, he proposes that institutional cooperation mechanisms can maintain order even in a post-hegemonic world. In his later work, International Institutions and State Power, Keohane argues that cooperation arises not because of the absence of conflict but as a response to it. Cooperation occurs when states perceive real or potential policy conflicts and choose to adjust their behavior through mutual agreement (Chruściel, 2014; Colebourne, 2012; Kutting, 2004; Hexner, 1950; Su, 2023; Trofimov, 2012; Whyte, 2012).

Roscoe Pound viewed law as a pragmatic and functional instrument for achieving social order, emphasizing that law should respond to the realities of society (law in action) rather than merely rely on formalistic doctrine (law in books). This reflects the institutionalist premise in international relations that institutions matter, not merely as formal rules but as mechanisms for reducing uncertainty, enhancing cooperation, and managing conflicts among rational actors (states). Roscoe Pound sees law as a dynamic instrument for achieving societal goals through deliberate planning; this concept is echoed in neorealist institutionalism, where institutions are designed to stabilize cooperation in an anarchic international system. Both perspectives reject static, idealized frameworks in favor of practical, adaptive mechanisms (Gardner, 1961).

Furthermore, Astorino traces how sociological jurisprudence, with its pragmatic, functionalist, and result-oriented orientation, challenged the rigid orthodox legal doctrines and called for international law to be restructured around social needs, empirical realities, and justice-driven outcomes. This critique was later echoed and deepened by Hans J. Morgenthau, who blended legal realism with political realism, arguing that international law must be grounded in power politics, not just idealistic legal norms (Astorino, 1996).

In the context of global coordination to strengthen regulations on virtual assets, FATF, as a manifestation of neoliberal institutionalism through Recommendation 15, requires each country to implement anti-money laundering and prevention of the financing of terrorism (AML/CFT) measures against virtual assets and virtual asset service providers (VASPs). By Recommendation 1, countries must identify, assess,

P-ISSN: 1412-6834
E-ISSN: 2550-0090

JURNAL HUKUM NOVELTY
Volume 16, Issue 2, 2025, pp. 324-345

and understand the risks of money laundering, terrorism financing, and proliferation financing arising from virtual asset activities and activities/operations carried out by VASPs. Furthermore, the 2021 FATF guidelines further emphasize the importance of a risk-based approach, which includes customer due diligence (CDD) obligations, suspicious transaction reporting (STR), and the application of the "travel rule" to ensure that information on senders and recipients of digital assets is included in every cross-border transaction. The form of the FATF framework is a Recommendation because each country has a diverse legal, administrative, and operational framework and a different financial system, so not all of them can take the same steps in dealing with these threats. This form of recommendation is a practice of formalism to functionality. It refers to the Roscoe Pound concept, which allows countries to form their national policies according to their domestic conditions and needs but remains adaptive to global developments (FATF, 2025; Gaviyau & Sibindi, 2023; FAFT, 2021; Uzougbo, Ikegwu, & Adewusi, 2024).

Therefore, FATF, through Recommendation 2, states that countries should establish an appropriate inter-agency framework for cooperation and coordination in efforts to combat money laundering (AML), terrorist financing (TF), and proliferation financing (PF). This framework can be a single integrated or separate framework for each ML, TF, and PF issue. Countries must ensure the availability of effective mechanisms to promote operational cooperation between competent authorities in combating money laundering (AML), terrorist financing (CFT), and proliferation financing of weapons of mass destruction (CPF). Meanwhile, regarding corruption, FATF, in its Recommendation 30, states that anti-corruption law enforcement authorities who have enforcement authority can be appointed to investigate money laundering and terrorism financing crimes arising from or related to corruption crimes, as referred to in Recommendation 30. Such authorities must also have adequate authority to identify, trace, and initiate the freezing and confiscation process against assets resulting from crime and other assets of equivalent value (FATF, 2011, 2012, 2019b, 2021a, 2021b, 2024a, 2024b).

UNODC supports States in translating commitments under the United Nations Convention against Corruption (UNCAC) into tangible actions. Article 62 of the United Nations Convention against Corruption (UNCAC) underlines the critical role of global coordination in ensuring effective legal policies for anti-corruption, particularly through economic development and technical assistance. It emphasizes that international cooperation should be a key strategy in addressing the systemic impacts of corruption. UNCAC Contracting Parties are urged to coordinate their efforts bilaterally and through international and regional organizations to build institutional capacity, provide financial and technical support, and share resources and expertise. Furthermore, it encourages the establishment of bilateral and multilateral agreements to strengthen this cooperation, ensuring that anti-corruption initiatives are aligned, sustainable, and inclusive. This approach places global coordination at the heart of the fight against corruption, aligning development assistance, capacity

Article History
Submitted 21 October 2024 - Revision Required 13 December 2024 - Accepted 9 October 2025

JURNAL HUKUM
NOVELTY
Volume 16, Issue 2, 2025, pp. 324-345
P-ISSN: 1412-6834
E-ISSN: 2550-0090

building, and law enforcement into a cohesive international effort, which aligns with Keohane and Roscoe Pound on neoliberal institutionalism and sociological jurisprudence implemented in international law (UNCAC, 2005).

Furthermore, the OECD international organization contributes to global governance by developing the Crypto-Asset Reporting Framework (CARF), designed to support the automatic exchange of information on crypto-asset transactions to enhance tax transparency and prevent cross-jurisdictional tax avoidance practices. Both frameworks demonstrate the convergence of AML/CFT regimes and global fiscal transparency in addressing legal challenges to the use of digital assets (OECD, 2023; 2024).

The global strategic landscape aligns with the aforementioned, along with the principal anticipated result of the Five Pillar Strategy, enhanced cooperation on anti-corruption enforcement across nations, various US agencies, and non-governmental entities as well as the corporate sector. This enhanced collaboration will lead to augmented cross-border investigations and law enforcement operations. The Five Pillar Strategy underscores the need of international investigations to tackle the global aspect of corruption. The Five Pillar Strategy focuses on enhancing ties that promote information exchange both locally and globally. Consequently, the Five Pillar Strategy mandates the US government to enhance current anti-corruption structures and organizations, including the FATF, the United Nations Convention Against Corruption (UNCAC), and the OECD Anti-Bribery Convention (Kim et al., 2021)

Conclusion

The use of digital assets has increased, and they are becoming more desirable tools for the illegal activity, including tax evasion and money laundering. The US takes a proactive approach to combat this growing threat through enhanced anti-corruption measures, the improved regulation of digital assets, and coordinated efforts with international partners. Effective tracking and rescue efforts rely on support from overseas regions, which can be hindered by variation in legal customs, regulations, protocols, languages, time zones, and diverse abilities.

From a theoretical perspective, this study contributes by integrating neoliberal institutionalism and sociological jurisprudence to explain how legal and institutional frameworks can evolve adaptively to threats from developments in financial technology and transnationalism. From a practical perspective, this study concludes that there is a need for harmonized and interconnected regulations to increase transparency and be able to respond quickly and adaptively to dynamic changes. The limitations of this study lie in the lack of access to detailed empirical data, especially the results of law enforcement and institutional performance post-2021. Contributions for future research include exploring the impact of harmonized digital asset regulations and the effectiveness of coordination driven by the FATF and UNCAC. Ultimately, transnational anti-corruption efforts will only succeed through

JURNAL HUKUM NOVELTY
P-ISSN: 1412-6834
E-ISSN: 2550-0090
Volume 16, Issue 2, 2025, pp. 324-345

closer coordination between states, institutions, and non-state actors. The US government recognizes that combating corruption is a foreign policy goal, but transnationalism is a challenge that must be systematically addressed in a way that is tailored to national interests.

Acknowledgement

The authors would like to thank Universitas Diponegoro for the funding and resources provided to conduct this research. Sincere gratitude also goes to anonymous reviewers and editors who have provided constructive feedback, which has enhanced the quality of this paper, making it worth reading and referencing.

Declarations

Author contribution : Author 1 (Ika Riswanti Putranti): Led the conceptualization and initiation of the research ideas, constructed the research instruments, and was primarily responsible for data collection, analysis, and the initial drafting of the manuscript. Also played a key role in synthesizing the findings and ensuring that the research objectives aligned with the broader themes of cryptocurrency crime, corruption, and illicit finance.
Co-Authors (Reni Windiani, Muhammad Arief Zuliyan, Qin Guan Wen): The co-authors contributed significantly to refining the research ideas and provided critical input during the literature review stage. They also participated in reviewing and improving the methodology, enhancing data presentation and analysis, and revising the manuscript to its final form. The collaboration ensured the research maintained an interdisciplinary perspective and included a global view on policy coordination and financial crime prevention.

Funding statement : This research was funded by the Faculty of Social and Political Sciences Budget at Universitas Diponegoro, which provided the necessary financial support for data collection, analysis, and publication.

Conflict of interest : The authors declare no conflict of interest.

Additional information : No additional information is available for this paper.

References

Astorino, Samuel J. 1996. The impact of sociological jurisprudence on international law in the inter-war period: The American experience. *Duquesne Law Review* 34 (2): 277–98. https://dsc.duq.edu/dlr/vol34/iss2/4

Article History
Submitted 21 October 2024 - Revision Required 13 December 2024 - Accepted 9 October 2025

P-ISSN: 1412-6834
E-ISSN: 2550-0090

Brewczyńska, Magdalena. 2021. Financial intelligence units: Reflections on the applicable data protection legal framework. *Computer Law and Security Review* 43 (1093). https://doi.org/10.1016/j.clsr.2021.105612.

Brooks, B.P. 2020. Rules and regulations. *Federal Register* 85 (122): 37734–44. https://www.federalregister.gov/documents/2020/06/24/2020-13719/rules-and-regulations.

Bryan Cave Leighton Paisner LLP. 2021. Corporate Transparency Act (CTA). https://www.bclplaw.com/a/web/320896/Corporate-Transparency-Act-Full-Review-604831733.11.pdf.

CFTC. 2020. The CFTC's role in monitoring virtual currencies. 1–6.

Chen, James. 2022a. Financial crimes enforcement network (FinCEN) definition. *Laws and Regulations*. 2022. https://www.investopedia.com/terms/f/fincen.asp.

Chen, James. 2022b. Securities and exchange commission (SEC) defined, how it works. https://www.investopedia.com/terms/s/sec.asp#toc-how-the-securities-and-exchange-commission-sec-works.

Chruściel, Marcin. 2014. The reasons of non-institutional character of the early Visegrad cooperation in the view of neorealist and neoliberal theories in international relations. *Poliarchia* 2 (3): 79–98. https://doi.org/10.12797/poliarchia.02.2014.03.05.

Colebourne, Joshua. 2012. An appraisal of Robert Keohane: Neoliberalism and liberal institutionalism. *E-International Relations*, December: 1–3. https://www.e-ir.info/2012/12/22/an-appraisal-of-robert-keohane-neoliberalism-and-liberal-institutionalism-in-world-politics/.

Commonwealth of Australia. 2024. The money laundering in Australia national risk assessment 2024. *National Risk Assessment* 87 (11): 795–97. https://doi.org/10.14358/PERS.87.11.795.

Diamond, Scott, and Tyler Cob. 2022. New bill proposes CFTC should regulate spot digital currency markets. 2022. https://www.ballardspahr.com/Insights/Alerts-and-Articles/2022/08/New-Bill-Proposes-CFTC-Should-Regulate-Spot-Digital-Currency-Markets.

Drache, Daniel. 2000. The short but significant life of the international trade organization: Lessons for our time. *Centre for the Study of Globalisation and Regionalisation*, no. 62/00. http://www2.warwick.ac.uk/fac/soc/pais/research/researchcentres/csgr/papers/workingpapers/2000/wp6200.pdf.

FAFT. 2021. Guidance on proliferation financing risk assessment and mitigation. No. March 2020: 9–10. https://www.fatf-gafi.org/publications/financingofproliferation/documents/proliferation-financing-risk-.

Financial Action Task Force (FATF). (2011). *Laundering the proceeds of corruption.* https://www.fatf-gafi.org/en/publications/Methodsandtrends/Laundering-the-proceeds-of-corruption.html

JURNAL HUKUM NOVELTY
P-ISSN: 1412-6834
E-ISSN: 2550-0090
Volume 16, Issue 2, 2025, pp. 324-345

Financial Action Task Force (FATF). (2012). *International standards on combating money laundering and the financing of terrorism & proliferation: The FATF recommendations* (pp. 1–148). https://www.fatf-gafi.org/en/publications/Fatfrecommendations/Fatf-recommendations.html

Financial Action Task Force (FATF). (2019a). *Guidance for a risk-based approach to virtual assets and virtual asset service providers* (pp. 1–59). https://www.fatf-gafi.org/publications/fatfrecommendations/documents/Updated-Guidance-RBA-VA-VASP.html

Financial Action Task Force (FATF). (2019b). *Terrorist financing risk assessment guidance* (pp. 1–62). https://www.fatf-gafi.org

Financial Action Task Force (FATF). (2021). *Second 12-month review of revised FATF standards – virtual assets and VASPs.* https://www.fatf-gafi.org/en/publications/Fatfrecommendations/Second-12-month-review-virtual-assets-vasps.html

Financial Action Task Force (FATF). (2021). *Updated guidance for a risk-based approach to virtual assets and virtual asset service providers.* https://www.fatf-gafi.org/en/publications/Fatfrecommendations/Guidance-rba-virtual-assets-2021.html

Financial Action Task Force (FATF). (2021). *Updated guidance for a risk-based approach to virtual assets and virtual asset service providers.* https://www.fatf-gafi.org/en/publications/Fatfrecommendations/Updated-Guidance-VA-VASP.html

Financial Action Task Force (FATF). (2024). *Targeted update on implementation of the FATF standards on virtual assets and virtual asset service providers* (pp. 1–33). https://www.fatf-gafi.org

Financial Action Task Force (FATF). (2024). *Targeted update on implementation of the FATF standards on virtual assets and virtual asset service providers.* https://www.fatf-gafi.org/en/publications/Fatfrecommendations/targeted-update-virtual-assets-vasps-2024.html

Financial Action Task Force (FATF). (2025). *FATF international standards on combating money laundering and the financing of terrorism & proliferation* (pp. 1–420). https://doi.org/10.1596/978-0-8213-7569-3

Financial Crimes Enforcement Network (FinCEN). (2019). *FinCEN penalizes peer-to-peer virtual currency exchanger for violations of anti-money laundering laws.* https://www.fincen.gov/news/news-releases/fincen-penalizes-peer-peer-virtual-currency-exchanger-violations-anti-money

Financial Crimes Enforcement Network (FinCEN). (2021). *BSA timeline.* https://www.fincen.gov/resources/statutes-regulations/bank-secrecy-act/bsa-timeline

Financial Crimes Enforcement Network (FinCEN). (2022a). *FinCEN issues final rule for beneficial ownership reporting to support law enforcement efforts, counter illicit finance, and increase transparency.*

Article History
Submitted 21 October 2024 - Revision Required 13 December 2024 - Accepted 9 October 2025

P-ISSN: 1412-6834
E-ISSN: 2550-0090

https://www.fincen.gov/news/news-releases/fincen-issues-final-rule-beneficial-ownership-reporting-support-law-enforcement

Financial Crimes Enforcement Network (FinCEN). (2022b). *History of anti-money laundering laws.* https://www.fincen.gov/history-anti-money-laundering-laws

Financial Crimes Enforcement Network (FinCEN). (2022c). *Law enforcement overview.* https://www.fincen.gov/resources/law-enforcement-overview

Financial Crimes Enforcement Network (FinCEN). (2022d). *Mission.* https://www.fincen.gov/about/mission

Financial Crimes Enforcement Network (FinCEN). (2022e). *Related government agencies/press contacts.* https://www.fincen.gov/related-government-agenciespress-contacts

Financial Crimes Enforcement Network (FinCEN). (n.d.). *What we do.* Retrieved March 11, 2022, from https://www.fincen.gov/what-we-do

Finnemore, M., & Sikkink, K. (2017). International norm dynamics and political change. In *Theories of international relations* (pp. 139–174). https://doi.org/10.4324/9781315236339-14

Gardner, J. A. (1961). The sociological jurisprudence of Roscoe Pound (Part I). *Villanova Law Review, 7*(1), 1–26. http://digitalcommons.law.villanova.edu/cgi/viewcontent.cgi?article=1522&context=vlr

Gaviyau, W., & Sibindi, A. B. (2023). Global anti-money laundering and combating terrorism financing regulatory framework: A critique. *Journal of Risk and Financial Management, 16*(7), 313. https://doi.org/10.3390/jrfm16070313

Global Future Council on Cryptocurrencies. (2021). *Navigating cryptocurrency regulation: An industry perspective on the insights and tools needed to shape balanced crypto regulation* (pp. 1–31). World Economic Forum. https://www3.weforum.org/docs/WEF_Navigating_Cryptocurrency_Regulation_2021.pdf

Goncharenko, D. (2018). *SEC vs DEX: Two lessons to learn from EtherDelta case.* https://cryptonews.net/editorial/analytics/sec-vs-dex-two-lessons-to-learn-from-etherdelta-case/

Hexner, E. (1950). The international trade organization and the monetary fund. *Staff Papers – International Monetary Fund, 1*, 136–173. https://doi.org/10.2307/3866182

Huo, Y. (2022). The effect of government policies on cryptocurrency market. In *Proceedings of the 2022 7th International Conference on Social Sciences and Economic Development (ICSSED 2022)* (Vol. 652, pp. 459–465). https://doi.org/10.2991/aebmr.k.220405.076

Hwang, S. (2023). *Digital frontlines: The emerging role of cryptocurrencies in hybrid warfare & geopolitics. College Undergraduate Research Electronic Journal (CUREJ).* https://repository.upenn.edu/handle/20.500.14332/60300

JURNAL HUKUM NOVELTY
P-ISSN: 1412-6834
E-ISSN: 2550-0090
Volume 16, Issue 2, 2025, pp. 324-345

Kim, J. H., Kolodner, J., Vicens, L., Mayerle, R. T., & One Liberty Plaza. (2021). *White House issues strategy on countering corruption* (pp. 22–25).

Kreminskyi, O., Kuzmenko, O., Antoniuk, A., & Smahlo, O. (2021). International cooperation in the investigation of economic crimes related to cryptocurrency circulation. *Estudios de Economía Aplicada, 39*(6), 1–13. https://doi.org/10.25115/eea.v39i6.5247

Kütting, G. (2004). Globalization and the environment: Moving beyond neoliberal institutionalism. *International Journal of Peace Studies, 9*(1), 29–46. https://www.jstor.org/stable/41852909

Lemire, K. A. (2022). *Cryptocurrency and anti-money laundering enforcement.* https://www.reuters.com/legal/transactional/cryptocurrency-anti-money-laundering-enforcement-2022-09-26/

Leuprecht, C., Jenkins, C., & Hamilton, R. (2023). Virtual money laundering: Policy implications of the proliferation in the illicit use of cryptocurrency. *Journal of Financial Crime, 30*(4), 1036–1054. https://doi.org/10.1108/JFC-07-2022-0161

Lorenz, G. (2024). Regulating decentralized financial technology: A qualitative study on the challenges regulating DeFi with a focus on embedded supervision. *Stanford Journal of Blockchain Law & Policy.* https://stanford-jblp.pubpub.org/pub/regulating-defi/release/1

Lucking, D., & Aravind, V. (2020). Cryptocurrency as a commodity: The CFTC's regulatory framework. *Global Legal Insights*, 1–8. https://www.acc.com/sites/default/files/resources/upload/GLI-FIN1_e-Edition.pdf#page=7

Menon, R. E. (2023). From crime prevention to norm compliance: Anti-money laundering (AML) policy adoption in Singapore from 1989–2021. *Journal of Money Laundering Control, 26*(1), 69–92. https://doi.org/10.1108/JMLC-12-2021-0134

Morgan, A. (2024). Money laundering and the harm from organised crime: Results from a data linkage study. *Money laundering and the harm from organised crime: Results from a data linkage study.* https://doi.org/10.52922/sp77628

Mouzakiti, F. (2020). Cooperation between financial intelligence units in the European Union: Stuck in the middle between the General Data Protection Regulation and the Police Data Protection Directive. *New Journal of European Criminal Law, 11*(3), 351–374. https://doi.org/10.1177/2032284420943303

Office of the Comptroller of the Currency. (2019). *Bank Secrecy Act (BSA) & related regulations.*

Office of the Comptroller of the Currency. (2022). *Bank Secrecy Act (BSA) & related regulations. Supervision & Examination.* https://www.occ.treas.gov/topics/supervision-and-examination/bsa/bsa-related-regulations/index-bsa-and-related-regulations.html

Article History
Submitted 21 October 2024 - Revision Required 13 December 2024 - Accepted 9 October 2025

P-ISSN: 1412-6834
E-ISSN: 2550-0090

Organisation for Economic Co-operation and Development (OECD). (2023). *International standards for automatic exchange of information in tax matters.* OECD. https://doi.org/10.1787/896d79d1-en

Organisation for Economic Co-operation and Development (OECD). (2024). *Crypto-asset reporting framework and amended common reporting standard: OECD releases IT format for transmitting information and issues interpretative guidance.* https://www.oecd.org/en/about/news/announcements/2024/10/crypto-asset-reporting-framework-and-amended-common-reporting-standard-oecd-releases-it-format-for-transmitting-information-and-issues-interpretative-guidance.html

Pavlidis, G. (2024). The birth of the new anti-money laundering authority: Harnessing the power of EU-wide supervision. *Journal of Financial Crime, 31*(2), 322–330. https://doi.org/10.1108/JFC-03-2023-0059

Poon, J. P. H. (2021). Regulating the global illicit economy: Singapore's role in United States' spatial financial surveillance. *Political Geography, 91*, 102493. https://doi.org/10.1016/j.polgeo.2021.102493

Prakoso, S. G., Kharisma, R., Wibowo, A., Ardita, N. D., & Al, F. A. (2024). Money laundering practices and Singapore government's measures against Indonesian tax amnesty. *Jurnal Ilmiah Hubungan Internasional, 20*(2), 159–175. https://journal.unpar.ac.id/index.php/JurnalIlmiahHubunganInternasiona/issue/view/592

Pusat Pelaporan dan Analisis Transaksi Keuangan (PPATK). (2022). *PPATK | Pusat Pelaporan dan Analisis Transaksi Keuangan.* https://www.ppatk.go.id/siaran_pers/read/1229/ppatk-gelar-goaml-interregional-meeting.html

Rahayuningsih, T. (2013). Analisis peran PPATK sebagai salah satu lembaga dalam menanggulangi money laundering di Indonesia. *Yuridika, 28*(3), 314–330. https://doi.org/10.20473/ydk.v28i3.349

Saputra, B. (2021). Modelling Australian Transaction Reports and Analysis Centre (AUSTRAC) for Indonesia in order to combat financial crime. *NEGREI: Academic Journal of Law and Governance, 1*(2), 81. https://doi.org/10.29240/negrei.v1i2.3822

Smith, K. (2019). *Dapps and DEXs in FinCEN crosshairs.* https://bravenewcoin.com/insights/dapps-and-dexs-in-fincen-crosshairs

Smith, R., & Walker, J. (2010). *The illegal movement of cash and bearer negotiable instruments: Typologies and regulatory responses* (No. 402). https://doi.org/10.52922/ti280279

Stein, A. A. (2008a). Neoliberal institutionalism. 201–221. https://academicworks.cuny.edu/gc_etds/176

Stein, A. A. (2008b). Neoliberal institutionalism. In *The Oxford handbook on international relations* (pp. 201–221).

JURNAL HUKUM NOVELTY
P-ISSN: 1412-6834
E-ISSN: 2550-0090
Volume 16, Issue 2, 2025, pp. 324-345

Su, H. (2023). A systematic review: Revisiting neoliberal institutionalism in the modern context with political philosophy considerations. *Advances in Economics, Management and Political Sciences, 7*(1), 91–104. https://doi.org/10.54254/2754-1169/7/20230219

Tan, B. & Lim, N. (2024). *Expert analysis: Singapore's regime on anti-money laundering and countering the financing of terrorism*. Thomson Reuters.

The White House. (2021). *United States strategy on countering corruption.* https://www.whitehouse.gov/wp-content/uploads/2021/12/United-States-Strategy-on-Countering-Corruption.pdf

Tiwari, M., Lupton, C., Bernot, A., & Halteh, K. (2024). The cryptocurrency conundrum: The emerging role of digital currencies in geopolitical conflicts. *Journal of Financial Crime, 31*(6), 1622–1634. https://doi.org/10.1108/JFC-12-2023-0306

Toye, R. (2012). The International Trade Organization. In *The Oxford handbook on the World Trade Organization.* https://doi.org/10.1093/oxfordhb/9780199586103.013.0005

Transparency International. (2021). *United States.* https://www.transparency.org/en/countries/united-states

Trofimov, I. D. (2012). The failure of the International Trade Organization (ITO): A policy entrepreneurship perspective. *Journal of Politics and Law, 5*(1), 56–68. https://doi.org/10.5539/jpl.v5n1p56

U.S. Department of the Treasury. (2022). *Terrorism and financial intelligence.* https://home.treasury.gov/about/offices/terrorism-and-financial-intelligence

U.S. Securities and Exchange Commission. (2022). *What we do.* https://www.sec.gov/about/what-we-do

United Nations Convention against Corruption (UNCAC). (2005). *United Nations Convention against Corruption (UNCAC).* https://www.unodc.org/corruption/en/uncac/index.html

United Nations Office on Drugs and Crime (UNODC) & World Bank. (2007). Stolen Asset Recovery (StAR) initiative: Challenges, opportunities, and action plan. https://www.unodc.org/pdf/Star_Report.pdf

Uzougbo, N. S., Ikegwu, C. G., & Adewusi, A. O. (2024). International enforcement of cryptocurrency laws: Jurisdictional challenges and collaborative solutions. *Magna Scientia Advanced Research and Reviews, 11*(1), 68–83. https://doi.org/10.30574/msarr.2024.11.1.0075

VinciWorks. (2022). *Anti-money laundering legislation in the USA: Overview.* https://vinciworks.com/blog/an-introduction-to-anti-money-laundering-legislation-in-the-united-states/

Whyte, A. (2012). Neorealism and neoliberal institutionalism: Born of the same approach? *E-International Relations*, 1–7. https://www.e-ir.info/2012/06/11/neorealism-and-neoliberal-institutionalism-born-of-the-same-approach/

Article History
Submitted 21 October 2024 - Revision Required 13 December 2024 - Accepted 9 October 2025